

DCI/NPC - KAZAKSTAN-PA-970127

~~Secret~~  
NOFORN



27 January 1997

## Kazakstan: A Proliferation Assessment [REDACTED]

### Summary

*Kazakstan has made great strides in developing a nonproliferation regime, but it still has far to go to implement its laws. It has many dual-use and dedicated WMD facilities on its territory. We do not have a full listing of all these industries. We have no information about the Kazakstani leadership's position on retaining chemical weapons (CW) or biological weapons (BW) capabilities though key facilities are undergoing conversion. It is clear that Kazakstan does not want to retain its nuclear capabilities. As with the other countries of the former Soviet Union, the Kazakstani Government is ripe with corruption, especially at the lower levels of the enforcement agencies. Finally, however, the government appears anxious to work with the US to begin implementation of a nonproliferation regime.*

[REDACTED]

APPROVED FOR RELEASE  
DATE: DEC 2000

F(b)(1)  
F(b)(3)  
(U)

0092 ~~Secret~~

### **Government Stability**

Kazakstan has been relatively stable since independence, but growing ethnic tensions, which are being exacerbated by Almaty's push for a pro-Kazak political and cultural agenda, could destabilize the country. To reduce the secessionist threat, President Nazarbayev will continue to promote closer ties to Russia and to press for some type of confederation which will allow for greater integration among all CIS states. Despite his efforts, however, ethnic and regional fragmentation is possible. [REDACTED]

### **Political Will To Develop a Counter/Nonproliferation Policy**

Kazakstan has a proven record of working with the US on nonproliferation matters. It has stated its firm support for US counter/nonproliferation policies, particularly to prevent the spread of nuclear weapons technology and material. Almaty is committed to maintaining a positive relationship with the US for the economic and security benefits it can derive and tries to follow Washington's direction on most of these issues. [REDACTED]

[REDACTED] states that Kazakstan has appreciated US Government assistance on nonproliferation and has eagerly sought additional opportunities for training and equipment, especially for law enforcement and nuclear safeguards. [REDACTED]

### **Export Controls**

Although it faces numerous obstacles to implementation, Kazakstan has worked with the US and other countries to establish a rudimentary export control bureaucracy and licensing procedure, and has begun to develop lists of items controlled for export, according to diplomatic and press reporting. The Kazakstani legislature passed an export control law in June 1996 which covers nuclear and dual-use materials, technologies, and equipment, according to press reporting, and is developing corresponding export control regulations with US assistance. The new law established licensing procedures, designating Kazakstan's Atomic Energy Agency to make decisions on candidate nuclear materials exports and the Ministry of Foreign Economic Relations to issue approved licenses. The export conditions require governments of importing countries to guarantee that an imported nuclear product will not be used to produce nuclear weapons, that relevant nuclear imports be subject to IAEA safeguards, and that a nuclear import be reexported only under certain conditions. [REDACTED]

**APPROVED FOR RELEASE  
DATE: DEC 2000**

Almaty recognizes the daunting task before it in developing an effective export control system, but it appears committed to developing Kazakstan's image as a responsible world trading partner. In addition to revamping its export control licensing procedures and legislation and strengthening its customs regime, it has embraced US export control assistance programs initiated in 1994. [REDACTED]

Nonetheless, even with a committed leadership and extensive Western technical and financial assistance, Kazakstan will require years to establish an effective Western-style export control system. Some obstacles to effective controls, such as the current lack of lists of controlled items or shortages of inspection equipment along Kazakstan's border,

will be relatively easy to overcome. Other obstacles, however, such as the lack of experienced, trained personnel, present longer term challenges. Enforcement of Kazakstani laws and regulations will be particularly problematic:

- Almaty has no known program under way to communicate new controls to exporters. A weak communications infrastructure will further complicate education efforts, although the still close ties between government ministries and major enterprises could compensate somewhat [REDACTED]

#### **Other Laws and Treaties, International Agreements**

Since independence Kazakhstan has acceded to the START Treaty and the nuclear Non-Proliferation Treaty as a nonnuclear weapons state and has agreed to IAEA safeguards. Almaty supports the comprehensive Test Ban Treaty. In April 1995, the last nuclear warheads were removed and silos dismantled. Other parts of the nuclear weapons infrastructure, including some 180 nuclear test tunnels at Dagelen Mountain, are also in the process of dismantlement with US Government financial and technical assistance. In November 1994, Kazakhstan transferred nearly 600 kilograms of weapons-grade highly enriched uranium (HEU) to the US under Project Sapphire. Kazakhstan has signed the CWC but not ratified it, and it has signed the CTBT. [REDACTED]

#### **Enforcement**

Border controls and law enforcement remain rudimentary. Kazakhstan's law enforcement agencies are ill trained and riddled with corruption like many similar organizations in the former Soviet Union. Communication among the various enforcement agencies is poor. We have not been able to determine clear mandates for enforcement of nonproliferation regulations for the various organizations. The following are at least some of the enforcement agencies that work on proliferation issues. [REDACTED]

**The Customs Committee.** The Customs Committee is expanding rapidly but is poorly prepared to enforce emerging export controls. The service's traditional focus has been directed against international narcotics trafficking and terrorism, and it is just beginning to acquire a sensitivity to weapons-related proliferation:

**APPROVED FOR RELEASE  
DATE: DEC 2000**

- Nineteen regional entities administer almost 120 customs checkpoints, including four customs stations on the Chinese border.
- Kazakhstan maintains only two customs posts along the Caspian Sea border, despite rampant narcotics smuggling through the area.
- [REDACTED] one post along the Russian border comprised 68 officers, two radios, and one car, while the Russian counterpart had 250 officers, 25 radios, 25 cars, and a helicopter.

- [REDACTED] said that a lack of equipment and training hampered his operations. [REDACTED] specifically indicated a need for x-ray equipment, hand-held metal detectors, drug analysis equipment, and radio equipment. [REDACTED]

The inexperience of Kazakhstan's customs officers and corruption are other problem areas. Most officers have joined the service since 1994. Kazakhstan does not have a customs school, although various universities offer courses in customs service, and foreign countries provide some assistance. Most beginning-level officers receive their training on the job. A few have received US training:

- Numerous reports document widespread bribetaking among Kazakstani customs officials. [REDACTED]

On the positive side, Kazakhstan's parliament last year approved a new uniform code of regulations for Kazakhstan's Customs Committee that defines customs officers' operational and investigative rights, according to a senior customs official interviewed by the Kazakstani press. The official claimed that the new code would replace hundreds of diverse regulations that allowed officials to arbitrarily determine export and import rules. In addition, President Nazarbayev early this year issued an edict that resubordinated the Customs Committee from the Ministry of Finance to the Cabinet of Ministers and replaced the head of the department in the Customs Committee which is responsible for combating smuggling. The firing and resubordination could mean that the enforcement mission of the service has acquired at least as much as importance as traditional duty collection. [REDACTED]

**Border Troops.** Border troops work alongside customs officials, and their abilities and equipment are equally poor. Kazakhstan's border control system is virtually nonexistent on the intra-CIS borders, and border control officials, who are a part of the military establishment, have little if any Soviet-era equipment to work with on the long borders. In some locations, border checkpoints do not exist at all or are totally ineffective. Corruption in the customs service is higher than in the border control service, [REDACTED] but the border guards tend to be more focused on what is coming into the country rather than what is leaving it. Kazakhstan mans most of the units and posts along its borders, but Russia has 120 advisers who work out of Almaty. [REDACTED]

APPROVED FOR RELEASE  
DATE: DEC 2000

**Committee for State Security (KNB).** The KNB plays a significant role in countering proliferation. [REDACTED] Iran has already tried to recruit Kazakstani scientists with nuclear technology and chemical and biological warfare knowledge. [REDACTED] Almaty fears that Iran may attempt to illegally export dual-use materials from Kazakstani facilities. The KNB also believes that Kazakstani scientists with knowledge in the nuclear, chemical, or biological areas may be subject to Iranian offers of employment. To counter any such efforts by Iran, the KNB

has targeted these issues as important collection areas. However, [REDACTED] told US officials last November that the country's intelligence service lacks the resources to evaluate end users, suggesting that the service pays little, if any, role in end use checks. [REDACTED]

**State Committee for Investigations (GSK).** The GSK was created in late 1995 and is the primary law enforcement organization in the country. The GSK is responsible for major criminal cases including illegal arms trade, according to press and diplomatic reporting. It is very much like the FBI but without the mandate to investigate espionage activities. [REDACTED]

**Kazakstan Navy.** Kazakstan has its own navy with four cutters donated from Germany and two donated from the US Coast Guard. The role the Kazakstani navy plays in antismuggling issues is not known, but the US Coast Guard has provided training to the Kazakstani Government. [REDACTED]

#### **Vulnerabilities and Allegations of Transfer**

Some countries of proliferation concern are developing contacts in Kazakstan and targeting Kazakstani fissile material and technology. The withdrawal of all nuclear warheads, the transfer of almost 600 kg of HEU from Kazakstan to the US, the silo dismantlement, and the destruction of other parts of the nuclear weapons infrastructures, as well as ongoing US efforts to improve export control and also enforcement, have reduced the risk of WMD proliferation in Kazakstan. Nonetheless, the possibility of smuggling or diversion remains:

- In 1995 the Indian Ambassador to Kazakstan announced plans for the two countries to collaborate on nuclear research.
- [REDACTED] a Pakistani official told Kazakstani officials that they would have paid more for the Project Sapphire material than the US did.
- [REDACTED] Kazakstan shipped 720 kilograms of natural uranium and 4 to 5 kilograms of enriched uranium to Iran in 1995. [REDACTED] did not know whether the materials were shipped on a Russian or Kazakstani aircraft but insisted that the Russian Government was aware of and had approved the shipment. [REDACTED] the material cost Iran \$35 million.
- Economic conditions at the Ulba Metallurgical Plant are deplorable, with employees regularly going many months without getting paid. [REDACTED]

**APPROVED FOR RELEASE  
DATE: DEC 2000**

The agreement last year between Kazakstan, Russia, and Belarus to establish a customs union between their countries could exacerbate Kazakstan's smuggling problems. The

parties are to unite their customs territories and transfer customs control from their common borders to the external borders of the union:

- If the customs union is fully implemented, the lifting of controls along the border between Russian and Kazakstan could prompt smugglers to transfer goods from Russia through Kazakstan's less-developed system. It seems increasingly less likely, however, that the customs union will be implemented. [REDACTED]

#### **Facilities, Materials, and Expertise**

With roughly 50 defense plants, or 3 percent of the former USSR's defense industry facilities, Kazakstan had the largest defense-industrial base of any of the non-Slavic republics during the Soviet period. These defense plants specialized in the production of missiles and missile-support equipment, naval weapons and equipment, and electronics. Kazakstan is also the only former Soviet republic other than Russia with plants designed to produce chemical and biological warfare materials. Because of Kazakstan's heavy reliance on Russia for spare parts and orders and the decline of production and orders, defense orders at some enterprises have reportedly fallen 90 percent, and plants have been unable to find other customers for their products. As a result, many Kazakstani defense plants have already lost half their work force to the private sector or to Russia. This brain drain is also affecting Kazakstan's research institutes. [REDACTED]

Kazakstan's abundant natural resources were historically used to support the defense-industrial complex of the former Soviet Union. Almaty now views these resources as an important source of hard currency exports and has shifted much of the production to civilian uses. Kazakstan produces about 30 percent of the uranium mined in the former Soviet Union. Kazakstan's processing of uranium is limited to uranium ore concentration in Aqtau and Stepnogorsk and the production of fuel pellets for nuclear power plants in Oskemen. Kazakstani plants are also key suppliers of such strategic materials as alumina, bauxite, beryllium, chromium, copper, gold, lead, lithium, magnesium, niobium, silver, tantalum, titanium, tungsten, and zinc:

**APPROVED FOR RELEASE  
DATE: DEC 2000**

- A plant in Pavlodar is one of the four largest producers of alumina in the former Soviet Union and is a major supplier to Russia's aluminum plants in Siberia.
- The only beryllium plant in the former Soviet Union is in Oskemen.
- Kazakstan also has over 90 percent of the former Soviet Union's chromium reserves.
- Half of the former Soviet Union's tungsten and lead, 40 percent of its zinc and copper, and 25 percent of its bauxite deposits are in Kazakstan.

- Kazakhstan also has half the former Soviet Union's titanium metal production capacity.
- There are also important manganese deposits in Kazakhstan [REDACTED]

Kazakhstan hosts several facilities that have, or have had, roles in the development of nuclear materials, missiles, chemicals, and pathogens:

- The *Ulbinskiy (Ulba) Metallurgical Plant* in Oskemen produces fuel pellets for power reactors and is the world's largest producer of beryllium, a dual-purpose material with both nuclear and missile applications. [REDACTED] some of the fuel produced at the plant has been made by blending weapons-grade uranium with reprocessed uranium. We do not know whether this blending occurs in Russia or at Ulbinskiy. Project Sapphire successfully transferred 565 kilograms of HEU from Ulba to more secure facilities in the US. Ulba has had significant problems retaining its employees and paying the salaries of its employees. It is currently a joint stock enterprise.
- The *National Nuclear Center of Kazakhstan*, located at Kurchatov, consists of the former Semipalatinsk Nuclear Weapons Test Site and the Semipalatinsk Nuclear Research Institute. The latter operates three reactors fueled with 90-percent-enriched uranium. Approximately 200 kilograms of Russian-owned HEU is stored here waiting for Russia to remove it. The current delay is Russia's inability to procure the proper containers in which to transfer the HEU.
- The *Mangylag Energy Combine* in Aqtau generates electric power and runs a desalination plant. The fast breeder reactor (BN-350) there produces weapons-grade plutonium as a byproduct, and about one ton of this plutonium is contained in spent fuel which is stored onsite. Kazakhstan lacks the reprocessing capabilities to separate significant quantities of plutonium from the spent fuel. There are also rumors of the presence of hot cell at Aqtau. [REDACTED] safeguards at this facility are inadequate, that the spent fuel ponds at Aqtau will be at near capacity by 2000, and that no alternative facility has been developed. Iranian officials regularly visit Aqtau, according to [REDACTED] press reporting.
- The *Almaty Institute of Nuclear Physics* has a 10-megawatt VVR-K research reactor that was shut down in 1990. [REDACTED] declared that the 90 to 100 kilograms of fresh HEU fuel enriched to 39 percent uranium-235 was stored at the reactor building and that 22 kilograms of weapons-grade uranium was stored in bulk storage area that was vulnerable to theft.

APPROVED FOR RELEASE  
DATE: DEC 2000

- There is an ore concentration plant near Stepnogorsk called the *Tselinny Mining and Chemical Combine* and another near Aqtau called the *Prikaspiyskiy Mining and Metallurgical Combine*.
- The *Petropavl Heavy Machine Building Enterprise* formerly produced SS-21 short-range ballistic missiles and missile support equipment for the Soviet armed forces. This production has been moved to Votkinsk, Russia, and the enterprise has started production of self-propelled cranes and has stepped up output of trailers and bicycles.
- *Dolon Air Base*. The heavy bombers here still have not been dismantled.
- The *Progress Chemical Plant*, a former Biopreparat facility in Aqsu, was a dual-use facility intended for biological warfare research and production.
- The *Biomedpreparat Plant*, another former Biopreparat facility near Stepnogorsk, was a dual-use facility intended for biological warfare research and wartime production. In 1995 the DOD/CTR Office and a US firm initiated a \$5.8 million program to convert one of the buildings at the facility, and more conversion activities are planned. [REDACTED]

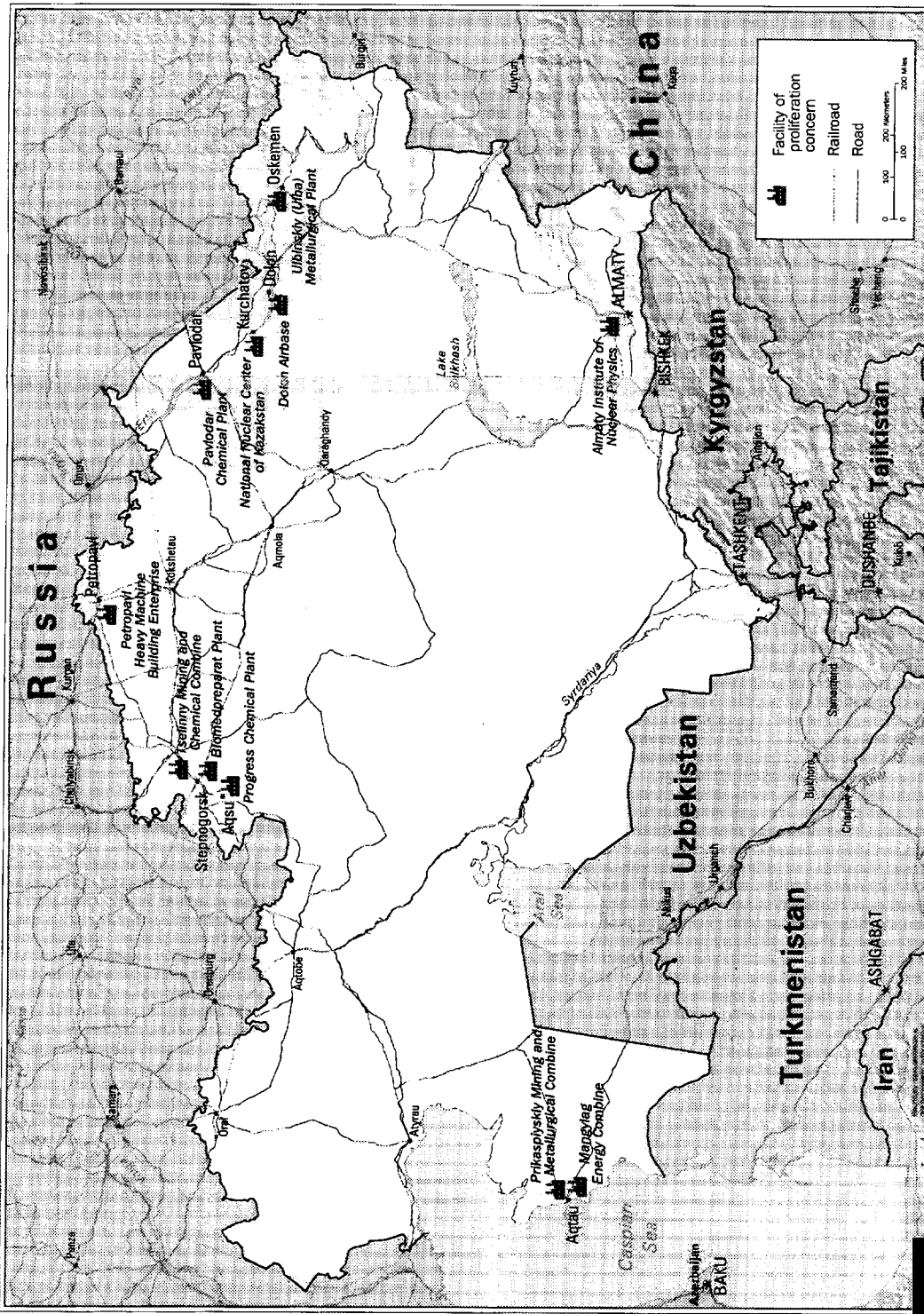
It is entirely possible that some Soviet-era chemical weapons stocks are still stored in Kazakhstan. [REDACTED] a few depots in Kazakhstan are suspect sites for CW storage, including one at Qapshaghay. There is no evidence that Kazakhstan produces CW or has acquired CW through illicit means:

- [REDACTED] that CW belonging to the CIS was still on Kazakstani soil. The current disposition of these stocks is unknown, and no withdrawal operations have been observed.
- The *Pavlodar Chemical Plant* was constructed in the 1980s to produce and weaponize sarin and V-agent chemical warfare agents; however, it was modified in the mid-1980s to produce sarin and soman. This facility was never completed and never produced any agents. The plant has started to produce plastics and metal cable, as well as consumer goods such as shampoo, dye, diesel oil, and antifreeze. [REDACTED]

**APPROVED FOR RELEASE  
DATE: DEC 2000**



**Kazakhstan: Selected Facilities of Proliferation Concern**



**APPROVED FOR RELEASE  
DATE: DEC 2000**